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# PRELIMINARY DRAFT

## No. 3339

PREPARED BY  
LEGISLATIVE SERVICES AGENCY  
2006 GENERAL ASSEMBLY

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### DIGEST

**Citations Affected:** IC 4-4; IC 4-12-9; IC 5-28-6-2; IC 10-19-8-2; IC 14-8-2-67; IC 14-9-4-1; IC 14-22-6-14; IC 14-24-4.5; IC 14-32; IC 15-1.5; IC 15-4; IC 15-6-4; IC 15-7; IC 15-8; IC 15-9-2-3; IC 24-6-7-3; IC 26-3-7; IC 26-4-1-13; IC 34-30-2-64.

**Synopsis:** Conforming changes to 2005 department of agriculture bill. Makes conforming changes to the Indiana Code to reflect the passage of P.L.83-2005 creating the department of agriculture and the office of rural affairs. Repeals a provision that contains an obsolete definition of "assistant commissioner".

**Effective:** Upon passage.



A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-4-3.2-1 IS AMENDED TO READ AS  
2       FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) As used in  
3       this chapter, "~~commissioner~~" "**department**" means the ~~commissioner~~  
4       **department** of agriculture.

5       (b) As used in this chapter, "livestock" includes but is not limited to  
6       the following:

- 7       (1) Beef cattle, dairy cattle, and other animals of the bovine  
8       species.
- 9       (2) Swine and other animals of the porcine species.
- 10      (3) Sheep and other members of the ovine species.
- 11      (4) Horses, mules, burros, asses, and other animals of the equine  
12      species.
- 13      (5) Goats and other members of the caprine species.
- 14      (6) Poultry and other birds of the avian species.
- 15      (7) Ostriches, rhea, emus, and other members of the ratite species.
- 16      (8) Camels, llamas, and other members of the camelid species.
- 17      (9) Farm raised deer, elk, moose, and other members of the  
18      cervidae species.
- 19      (10) Bison.
- 20      (11) Aquatic animals that are the subject of aquaculture.
- 21      (12) Rabbits.

22      SECTION 2. IC 4-4-3.2-2 IS AMENDED TO READ AS  
23      FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The  
24      ~~commissioner~~ **department** shall aid, encourage, foster, and promote  
25      the development and improvement of the livestock industry throughout  
26      Indiana.

27      SECTION 3. IC 4-4-3.2-3 IS AMENDED TO READ AS  
28      FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The livestock  
29      industry promotion and development fund (referred to as the "fund" in  
30      this chapter) is established as a dedicated fund to be administered by  
31      the ~~commissioner~~ **department**.



(b) The money in the fund must be spent by the ~~commissioner~~  
**department:**

(1) exclusively for the purposes described in this chapter,  
 including administrative expenses; and

(2) throughout Indiana.

(c) No portion of the fund shall revert to the **state** general fund ~~of the state~~ at the end of a fiscal year. However, if the fund is abolished, its contents shall revert to the **state** general fund. ~~of the state.~~

(d) There is annually appropriated to the ~~commissioner~~ **department** the entire amount of money in the fund for the use of the ~~commissioner~~ **department** in carrying out the purposes of this chapter.

SECTION 4. IC 4-4-3.2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The ~~commissioner~~ **department** may make grants from the fund to associations or organizations for the following purposes:

(1) To conduct or support livestock industry shows, sales, expositions, conventions, or similar events throughout Indiana consistent with the purposes of this chapter.

(2) To support expanding markets for Indiana livestock producers by encouraging the development of business and industry related to livestock production, processing, and distribution.

SECTION 5. IC 4-4-3.2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. An association or organization may not qualify for or be eligible to receive any part of the fund to be awarded as ~~premiums~~ **grants** unless there is provided and made available from sources other than the fund an amount for ~~premiums~~ **grants** equal to or in excess of that allocated from the fund under this chapter. Funds approved and designated by the ~~commissioner~~ **department** for purposes other than ~~premium~~ **grant** awards are exempt from the matching fund requirements for ~~premium~~ **grant** awards.

SECTION 6. IC 4-4-3.2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The ~~commissioner~~ **department** may ~~develop and promulgate~~ **adopt** rules and regulations pursuant to ~~under~~ IC 4-22-2 to carry out the provisions of this chapter.

SECTION 7. IC 4-4-3.3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "~~commissioner~~" "**director**" means the ~~commissioner of agriculture~~ **director of the department of agriculture**.

SECTION 8. IC 4-4-3.3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The ~~commissioner~~ shall ~~have the responsibility~~ **director is responsible** for foreign market promotion for agricultural products.

SECTION 9. IC 4-4-3.3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Within the limit



of funds specifically appropriated for that purpose, the ~~commissioner~~  
**director** may establish and maintain offices in foreign countries for the  
 purpose of promoting international markets for Indiana agricultural  
 products.

SECTION 10. IC 4-4-3.3-4 IS AMENDED TO READ AS  
 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Within the limit  
 of funds specifically appropriated for that purpose, the ~~commissioner~~  
**director** may operate livestock export inspection facilities meeting the  
 requirements of the United States Department of Agriculture for  
 livestock inspection prior to export shipments.

SECTION 11. IC 4-4-3.3-5 IS AMENDED TO READ AS  
 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The  
~~commissioner~~ **director** may establish and collect fair and reasonable  
 livestock inspection fees ~~related~~ to **cover** the cost of administering  
 livestock export facilities.

SECTION 12. IC 4-4-3.3-7 IS AMENDED TO READ AS  
 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The livestock  
 export facility administration fund is established as a dedicated fund to  
 be administered by the ~~commissioner~~ **director**. All fees collected  
 under section 5 of this chapter shall be deposited in the fund. The  
~~monies~~ **money** in the fund may be spent by the ~~commissioner~~ **director**  
 exclusively for the purposes described in this chapter. No portion of the  
 fund shall revert to the **state** general fund ~~of the state~~ at the end of a  
 fiscal year. However, if the fund is abolished, its contents shall revert  
 to the **state** general fund. ~~of the state~~.

SECTION 13. IC 4-4-3.4-1 IS AMENDED TO READ AS  
 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The  
~~commissioner~~ **director of the department** of agriculture shall  
 establish a center for value added research to perform the following  
 duties:

- (1) ~~Developing~~ **Develop** a strategic assessment of the Indiana  
 agricultural industries and ~~establishing~~ **establish** targeted  
 priorities for industry expansion.
- (2) ~~Developing~~ **Develop** recommendations for legislative and  
 administrative programs that will enhance economic development  
 in the targeted agricultural industries.
- (3) Identify and prioritize research development and educational  
 needs for expanding value added opportunities in Indiana.
- (4) ~~Establishing~~ **Establish** cooperative industry research and  
 development initiatives that lead to new agricultural industry  
 opportunities in Indiana.
- (5) ~~Serving~~ **Serve** as a resource for industry in the planning,  
 promotion, and development of value added agricultural products  
 and agricultural industry opportunities in Indiana, including  
 product feasibility, market feasibility, economic feasibility,  
 product development, product testing, and test marketing.



(6) ~~Serving~~ **Serve** as a resource for industry and ~~the~~ state government in attracting value added agricultural industry to Indiana.

(7) ~~Developing~~ **Develop** private sector research funding and technology transfer programs commensurate with the state's targeted agricultural industry economic development objectives.

(8) ~~Providing~~ **Provide** a forum for continuing dialogue between industry, government, and researchers in addressing the needs and opportunities for expanding the value added agricultural industry.

SECTION 14. IC 4-4-3.4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. To carry out the duties described in section 1 of this chapter, the ~~commissioner~~ **director of the department** of agriculture, acting for and on behalf of the center for value added research, may:

(1) organize the center in the manner necessary to implement this chapter;

(2) execute contractual agreements, including contracts for:

(A) the operation of the center;

(B) the performance of any of the duties described in section 1 of this chapter;

(C) the services of an executive director to serve as the chief operating officer of the center; and

(D) any other services necessary to carry out the duties described in section 1 of this chapter;

(3) receive money from any source;

(4) expend money for an activity appropriate to the purposes of this chapter;

(5) execute agreements and cooperate with:

(A) any other state or federal department or agency;

(B) political subdivisions located in Indiana;

(C) any private person or corporation; or

(D) colleges and universities located in Indiana; and

(6) subject to the approval of the budget agency, employ personnel as necessary for the efficient administration of this chapter.

SECTION 15. IC 4-4-3.4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The value added research fund is established for the purpose of providing money for:

(1) the center for value added research; and

(2) the ~~commissioner~~ **director of the department** of agriculture to carry out the duties specified under this chapter.

The fund shall be administered by the ~~commissioner~~ **director of the department** of agriculture.

(b) The fund consists of money appropriated by the general assembly.



(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 16. IC 4-4-3.8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The ~~commissioner~~ **director of the department** of agriculture shall do the following:

(1) Organize and develop an information and market research center for aquaculture.

(2) Instigate the formation of a market and development plan for the aquaculture industry.

(3) Encourage the development and growth of aquaculture.

SECTION 17. IC 4-4-27-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The ~~commissioner~~ **director of the department** of agriculture or the ~~commissioner's director's~~ designee shall, at least one (1) time each year, inspect and test all equipment used to test the moisture and the foreign material and dockage content of grain purchased, sold, or exchanged in Indiana.

SECTION 18. IC 4-4-27-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Each piece of equipment that is tested and found to be true in accordance with rules or standards prescribed by the National Institute of Standards and Technology, the United States Department of Agriculture, and the ~~office of the commissioner~~ **department** of agriculture must bear a seal issued by the office of the ~~commissioner~~ **director of the department** of agriculture to that effect with the date of inspection and expiration date.

SECTION 19. IC 4-4-27-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The ~~commissioner~~ **director of the department** of agriculture or the ~~commissioner's director's~~ designee shall charge a fee of ten dollars (\$10) for each moisture testing device inspected from each inspection site under this chapter.

(b) All fees shall be deposited in the state treasury.

SECTION 20. IC 4-4-27-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Money shall be appropriated to the ~~office of the commissioner~~ **department** of agriculture for the use of the office in carrying out this chapter.

SECTION 21. IC 4-4-27-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The ~~office of the commissioner~~ **department** of agriculture may adopt rules **under IC 4-22-2** to administer this chapter.

SECTION 22. IC 4-4-27-6 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The ~~office of the~~  
 2 ~~commissioner~~ **department** of agriculture may:

- 3 (1) employ such persons;
- 4 (2) make such expenditures;
- 5 (3) require such reports and records;
- 6 (4) make such investigations; and
- 7 (5) take such other action;

8 as the ~~office~~ **department of agriculture** considers necessary or  
 9 suitable for the proper administration of this chapter.

10 SECTION 23. IC 4-12-9-2 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The tobacco  
 12 farmers and rural community impact fund is established. The fund shall  
 13 be administered by the ~~commissioner of agriculture~~: **director of the**  
 14 **department of agriculture**. The fund consists of:

- 15 (1) amounts, if any, that another statute requires to be distributed  
 16 to the fund from the Indiana tobacco master settlement agreement  
 17 fund;
- 18 (2) appropriations to the fund from other sources;
- 19 (3) grants, gifts, and donations intended for deposit in the fund;
- 20 and
- 21 (4) interest that accrues from money in the fund.

22 (b) The expenses of administering the fund shall be paid from  
 23 money in the fund.

24 (c) Notwithstanding IC 5-13, the treasurer of state shall invest the  
 25 money in the fund not currently needed to meet the obligations of the  
 26 fund in the same manner as money is invested by the public employees  
 27 retirement fund under IC 5-10.3-5. The treasurer of state may contract  
 28 with investment management professionals, investment advisors, and  
 29 legal counsel to assist in the management of the fund and may pay the  
 30 state expenses incurred under those contracts.

31 (d) Money in the fund at the end of the state fiscal year does not  
 32 revert to the state general fund and remains available for expenditure.

33 SECTION 24. IC 4-12-9-3 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Subject to  
 35 subsection (b), money in the fund shall be used for the following  
 36 purposes:

- 37 (1) Agricultural grant and loan programs to assist cooperative  
 38 arrangements consisting of tobacco quota owners and tobacco  
 39 growers working together to transition from tobacco production  
 40 to other agricultural enterprises and to assist individual tobacco  
 41 quota owners and tobacco growers who are in the process of  
 42 transitioning to other agricultural enterprises.
- 43 (2) Value-added cooperatives, incubators, and other enterprises  
 44 or facilities established for the purpose of assisting tobacco quota  
 45 owners and tobacco growers to capture additional revenues from  
 46 non-tobacco agricultural commodities.



(3) Agricultural mentoring programs, entrepreneurial leadership development, and tuition and scholarships to assist displaced tobacco growers in acquiring new training and employment skills.

(4) Academic research to identify new transitional crop enterprises to replace tobacco production.

(5) Market facility development for marketing current and new crop enterprises.

(6) Administrative and planning services for local communities and economic development entities that suffer a negative impact from the loss of tobacco production.

(7) Establishment and operation of a regional economic development consortium to address common problems faced by local communities that suffer a negative impact from the loss of tobacco production.

(b) Expenditures from the fund are subject to appropriation by the general assembly and approval by the ~~the commissioner~~ **director of the department** of agriculture. The ~~commissioner~~ **director of the department** of agriculture may not approve an expenditure from the fund unless that expenditure has been recommended by the advisory board established by section 4 of this chapter.

SECTION 25. IC 4-12-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The tobacco farmers and rural community impact fund advisory board is established. The advisory board shall meet at least quarterly and at the call of the ~~commissioner of agriculture~~ **director of the department of agriculture** to make recommendations concerning expenditures of money from the fund.

(b) The advisory board consists of the following:

(1) The ~~commissioner of agriculture~~, **director of the department of agriculture**, who is an ex officio member and serves as chairperson of the advisory board.

(2) Two (2) members of the senate, who may not be members of the same political party, appointed by the president pro tempore of the senate.

(3) Two (2) members of the house of representatives, who may not be members of the same political party, appointed by the speaker of the house of representatives.

(4) The following appointees by the governor who represent the following organizations or interests:

(A) Two (2) tobacco growers.

(B) One (1) tobacco quota owner.

(C) Two (2) persons with knowledge and experience in state and regional economic development needs.

(D) One (1) person representing small towns or rural communities.

(E) One (1) person representing the Indiana Rural



- 1 Development Council.
- 2 (F) One (1) person representing the Southern Indiana Rural
- 3 Development Project.
- 4 (G) One (1) person representing agricultural programs at
- 5 universities located in Indiana.
- 6 The members of the advisory board listed in subdivisions (1) through
- 7 (3) are nonvoting members. The members of the advisory board listed
- 8 in subdivision (4) are voting members.
- 9 (c) The term of office of a legislative member of the advisory board
- 10 is four (4) years. However, a legislative member of the advisory board
- 11 ceases to be a member of the advisory board if the member:
- 12 (1) is no longer a member of the chamber from which the member
- 13 was appointed; or
- 14 (2) is removed from the advisory board under subsection (d).
- 15 (d) A legislative member of the advisory board may be removed at
- 16 any time by the appointing authority who appointed the legislative
- 17 member.
- 18 (e) The term of office of a member of the advisory board appointed
- 19 under subsection ~~(a)(4)~~ **(b)(4)** is four (4) years. However, these
- 20 members serve at the pleasure of the governor and may be removed for
- 21 any reason.
- 22 (f) If a vacancy exists on the advisory board with respect to a
- 23 legislative member or the members appointed under subsection ~~(a)(4)~~,
- 24 **(b)(4)**, the appointing authority who appointed the former member
- 25 whose position has become vacant shall appoint an individual to fill the
- 26 vacancy for the balance of the unexpired term.
- 27 (g) Five (5) voting members of the advisory board constitute a
- 28 quorum for the transaction of business at a meeting of the advisory
- 29 board. The affirmative vote of at least five (5) voting members of the
- 30 advisory board is necessary for the advisory board to take action.
- 31 (h) Each member of the advisory board who is not a state employee
- 32 is not entitled to the minimum salary per diem provided by
- 33 IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement
- 34 for traveling expenses as provided under IC 4-13-1-4 and other
- 35 expenses actually incurred in connection with the member's duties as
- 36 provided in the state policies and procedures established by the Indiana
- 37 department of administration and approved by the budget agency.
- 38 (i) Each member of the advisory board who is a state employee but
- 39 who is not a member of the general assembly is entitled to
- 40 reimbursement for traveling expenses as provided under IC 4-13-1-4
- 41 and other expenses actually incurred in connection with the member's
- 42 duties as provided in the state policies and procedures established by
- 43 the Indiana department of administration and approved by the budget
- 44 agency.
- 45 (j) Each member of the advisory board who is a member of the
- 46 general assembly is entitled to receive the same per diem, mileage, and



1 travel allowances paid to legislative members of interim study  
 2 committees established by the legislative council. Per diem, mileage,  
 3 and travel allowances paid under this subsection shall be paid from  
 4 appropriations made to the legislative council or the legislative services  
 5 agency.

6 (k) Payments authorized for members of the advisory board under  
 7 subsections (h) through (i) are payable from the tobacco farmers and  
 8 rural community impact fund.

9 SECTION 26. IC 5-28-6-2, AS AMENDED BY P.L.83-2005,  
 10 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 UPON PASSAGE]: Sec. 2. (a) The corporation shall develop and  
 12 promote programs designed to make the best use of Indiana resources  
 13 to ensure a balanced economy and continuing economic growth for  
 14 Indiana, and, for those purposes, may do the following:

15 (1) Cooperate with federal, state, and local governments and  
 16 agencies in the coordination of programs to make the best use of  
 17 Indiana resources.

18 (2) Receive and expend funds, grants, gifts, and contributions of  
 19 money, property, labor, interest accrued from loans made by the  
 20 corporation, and other things of value from public and private  
 21 sources, including grants from agencies and instrumentalities of  
 22 the state and the federal government. The corporation:

23 (A) may accept federal grants for providing planning  
 24 assistance, making grants, or providing other services or  
 25 functions necessary to political subdivisions, planning  
 26 commissions, or other public or private organizations;

27 (B) shall administer these grants in accordance with the terms  
 28 of the grants; and

29 (C) may contract with political subdivisions, planning  
 30 commissions, or other public or private organizations to carry  
 31 out the purposes for which the grants were made.

32 (3) Direct that assistance, information, and advice regarding the  
 33 duties and functions of the corporation be given to the corporation  
 34 by an officer, agent, or employee of the executive branch of the  
 35 state. The head of any other state department or agency may  
 36 assign one (1) or more of the department's or agency's employees  
 37 to the corporation on a temporary basis or may direct a division  
 38 or an agency under the department's or agency's supervision and  
 39 control to make a special study or survey requested by the  
 40 corporation.

41 (b) The corporation shall perform the following duties:

42 (1) Develop and implement industrial development programs to  
 43 encourage expansion of existing industrial, commercial, and  
 44 business facilities in Indiana and to encourage new industrial,  
 45 commercial, and business locations in Indiana.

46 (2) Assist businesses and industries in acquiring, improving, and



1 developing overseas markets and encourage international plant  
 2 locations in Indiana. The corporation, with the approval of the  
 3 governor, may establish foreign offices to assist in this function.

4 (3) Promote the growth of minority business enterprises by doing  
 5 the following:

6 (A) Mobilizing and coordinating the activities, resources, and  
 7 efforts of governmental and private agencies, businesses, trade  
 8 associations, institutions, and individuals.

9 (B) Assisting minority businesses in obtaining governmental  
 10 or commercial financing for expansion or establishment of  
 11 new businesses or individual development projects.

12 (C) Aiding minority businesses in procuring contracts from  
 13 governmental or private sources, or both.

14 (D) Providing technical, managerial, and counseling assistance  
 15 to minority business enterprises.

16 (4) Assist the office of the lieutenant governor in:

17 (A) community economic development planning;

18 (B) implementation of programs designed to further  
 19 community economic development; and

20 (C) the development and promotion of Indiana's tourist  
 21 resources.

22 (5) Assist the secretary of agriculture and rural development in  
 23 promoting and marketing of Indiana's agricultural products and  
 24 provide assistance to the ~~commissioner~~ **director of the**  
 25 **department** of agriculture.

26 (6) With the approval of the governor, implement federal  
 27 programs delegated to the state to carry out the purposes of this  
 28 article.

29 (7) Promote the growth of small businesses by doing the  
 30 following:

31 (A) Assisting small businesses in obtaining and preparing the  
 32 permits required to conduct business in Indiana.

33 (B) Serving as a liaison between small businesses and state  
 34 agencies.

35 (C) Providing information concerning business assistance  
 36 programs available through government agencies and private  
 37 sources.

38 (8) Establish a public information page on its current Internet site  
 39 on the world wide web. The page must provide the following:

40 (A) By program, cumulative information on the total amount  
 41 of incentives awarded, the total number of companies that  
 42 received the incentives and were assisted in a year, and the  
 43 names and addresses of those companies.

44 (B) A mechanism on the page whereby the public may request  
 45 further information online about specific programs or  
 46 incentives awarded.



1 (C) A mechanism for the public to receive an electronic  
2 response.

3 (c) The corporation may do the following:

4 (1) Disseminate information concerning the industrial,  
5 commercial, governmental, educational, cultural, recreational,  
6 agricultural, and other advantages of Indiana.

7 (2) Plan, direct, and conduct research activities.

8 (3) Assist in community economic development planning and the  
9 implementation of programs designed to further community  
10 economic development.

11 SECTION 27. IC 10-19-8-2, AS ADDED BY P.L.22-2005,  
12 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 UPON PASSAGE]: Sec. 2. (a) The council consists of the following  
14 members:

15 (1) The lieutenant governor.

16 (2) The executive director.

17 (3) The superintendent of the state police department.

18 (4) The adjutant general.

19 (5) The state health commissioner.

20 (6) The commissioner of the department of environmental  
21 management.

22 (7) ~~The assistant commissioner of agriculture; director of the~~  
23 **department of agriculture.**

24 (8) The chairman of the Indiana utility regulatory commission.

25 (9) The commissioner of the Indiana department of transportation.

26 (10) The executive director of the Indiana criminal justice  
27 institute.

28 (11) The commissioner of the bureau of motor vehicles.

29 (12) A local law enforcement officer or a member of the law  
30 enforcement training academy appointed by the governor.

31 (13) The speaker of the house of representatives or the speaker's  
32 designee.

33 (14) The president pro tempore of the senate or the president pro  
34 tempore's designee.

35 (15) The chief justice of the supreme court.

36 (b) The members of the council under subsection (a)(13), (a)(14),  
37 and (a)(15) are nonvoting members.

38 (c) Representatives of the United States Department of Justice may  
39 serve as members of the council as the council and the Department of  
40 Justice may determine. Any representatives of the Department of  
41 Justice serve as nonvoting members of the council.

42 SECTION 28. IC 14-8-2-67 IS AMENDED TO READ AS  
43 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 67. (a)  
44 "Department", **except for purposes of IC 14-32**, refers to the  
45 department of natural resources.

46 (b) **"Department" for purposes of IC 14-32, refers to the**



**department of agriculture established by IC 15-9-2-1.**

SECTION 29. IC 14-9-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The following divisions are established within the department:

- (1) Accounting.
- (2) Administrative support services.
- (3) Budget.
- (4) Engineering.
- (5) Entomology and plant pathology.
- (6) Fish and wildlife.
- (7) Forestry.
- (8) Historic preservation and archeology.
- (9) Human resources.
- (10) Internal audit.
- (11) Land acquisition.
- (12) Law enforcement.
- (13) Management information systems.
- (14) Nature preserves.
- (15) Oil and gas.
- (16) Outdoor recreation.
- (17) Public information and education.
- (18) Reclamation.
- (19) Reservoir management.
- (20) Safety and training.
- ~~(21) Soil conservation.~~
- ~~(22)~~ (21) State museums and historic sites.
- ~~(23)~~ (22) State parks.
- ~~(24)~~ (23) Water.

SECTION 30. IC 14-22-6-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The:

- (1) division of fish and wildlife of the department; and
- (2) division of soil conservation of the department **of agriculture**, through the soil and water conservation districts established under IC 14-32;

shall, in cooperation with other conservation education organizations and one (1) or more organizations of hunters, establish a program to help landowners with problems determined by the director to be caused by localized deer population.

(b) The program established under this section must educate landowners concerning the means by which a landowner can:

- (1) control; or
- (2) obtain assistance in controlling;

the deer population on the landowner's tract of land.

(c) Under the program established under this section, one (1) or more hunters or organizations of hunters may, upon request by a landowner, work with the department and the landowner to alleviate



1 problems caused by localized deer populations.

2 (d) In each county, the division of fish and wildlife, in cooperation  
3 with the soil and water conservation district established within the  
4 county under IC 14-32, shall disseminate information about the  
5 program established under this section.

6 SECTION 31. IC 14-24-4.5-13, AS ADDED BY P.L.225-2005,  
7 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 UPON PASSAGE]: Sec. 13. (a) The ~~commissioner~~ **director of the**  
9 **department** of agriculture or the ~~commissioner's director's~~ designee  
10 shall serve as compact administrator for Indiana. The duties of the  
11 compact administrator are considered a regular part of the duties of the  
12 commissioner of agriculture.

13 (b) Copies of bylaws and amendments to the compact adopted under  
14 section 4(h) of this chapter must be filed with the compact  
15 administrator.

16 SECTION 32. IC 14-24-4.5-14, AS ADDED BY P.L.225-2005,  
17 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18 UPON PASSAGE]: Sec. 14. Within the meaning of sections 6(b) and  
19 8(a) of this chapter, a request or an application for assistance from the  
20 fund may be made by the ~~commissioner~~ **director of the department**  
21 of agriculture or the ~~commissioner's director's~~ designee whenever the  
22 ~~commissioner director~~ or ~~commissioner's director's~~ designee believes  
23 the conditions qualifying ~~Indiana~~ **the state** for assistance exist and it  
24 would be in the best interest of ~~Indiana~~ **the state** to make a request.

25 SECTION 33. IC 14-32-2-1 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The soil  
27 conservation board is established within the department **of agriculture.**

28 SECTION 34. IC 14-32-2-2 IS AMENDED TO READ AS  
29 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The board  
30 consists of the following nine (9) members:

31 (1) Four (4) members who must be land occupiers with farming  
32 interests, appointed by the governor.

33 (2) Two (2) members who must be land occupiers with  
34 nonfarming interests, appointed by the governor.

35 (3) Three (3) ex officio members as follows:

36 (A) The director or the director's designee.

37 (B) The ~~commissioner of agriculture~~ **director of the**  
38 **department of agriculture** or the ~~commissioner's director's~~  
39 designee.

40 (C) The director of the Purdue University cooperative  
41 extension service or the director's designee.

42 SECTION 35. IC 14-32-2-3 IS AMENDED TO READ AS  
43 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A majority  
44 of the six (6) appointed members of the board must have experience as  
45 district supervisors.

46 (b) In making appointments to the board, the governor may invite



and consider the recommendations of the following:

- (1) The Purdue University cooperative extension service.
- (2) The department **of agriculture**.
- (3) The Indiana Association of Soil and Water Conservation Districts.

(c) All appointments to the board shall be made without regard to political affiliation.

(d) The members appointed to the board under section 2(1) and 2(2) of this chapter must be residents of at least four (4) different geographic regions of Indiana.

SECTION 36. IC 14-32-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The division of soil conservation:

(1) shall administer and coordinate the duties and responsibilities of the department **of agriculture** under the land resource programs authorized by this chapter; and

(2) in carrying out its duties under subdivision (1), may work in cooperation with the following:

(A) Federal and state agencies.

(B) Local governmental agencies involved in land use planning and zoning.

(C) Any person, firm, institution, or agency, public or private, having an interest in land conservation.

(b) The department **of agriculture** may employ the personnel and provide facilities and services that are necessary to carry out the ~~department's~~ **department of agriculture's** duties and responsibilities under this chapter.

SECTION 37. IC 14-32-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) As used in this section, "urban geology survey" means a systematic scientific identification, inventory, and mapping of the earth materials of a given area that sets forth the capabilities, potentials, and limitations of the earth materials for human needs.

(b) The department **of agriculture** shall use the money appropriated by the general assembly to initiate and carry out a program of urban geology surveys, together with other geologic investigations, for Indiana to develop and present the geologic data and information necessary to a coordinated land conservation program that will promote sound land use decisions.

SECTION 38. IC 14-32-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) As used in this section, "landscape survey" means a systematic scientific identification, inventory, and mapping of the features of the earth's surface that serve to constitute the landscape of a given area, including key factors such as the following:

- (1) Land form.



- (2) Vegetation.
- (3) Wildlife.
- (4) Physical characteristics.
- (5) Visual perception.
- (6) Historical and cultural sites.

(b) The department **of agriculture** shall use the money appropriated by the general assembly to initiate and carry out a program of landscape surveys for Indiana to develop and present the surficial landscape data and information necessary to promote wise land use decisions.

SECTION 39. IC 14-32-7-8.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. (a) As used in this section, "soil survey" means a systematic scientific identification, inventory, and mapping of the soils of a given area that sets forth the capabilities, potential, and limitations of the soils in the satisfaction of human needs.

(b) The department **of agriculture** shall use the money appropriated by the general assembly to implement and supplement a program of modern soil surveys for Indiana that will, within the shortest practicable time, provide a modern soil survey for each county as an essential tool in land conservation.

SECTION 40. IC 14-32-7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The department **of agriculture** shall provide more support and assistance to the local soil and water conservation districts by:

- (1) granting to the districts the additional money that is appropriated by the general assembly; and
- (2) increased coordination and consultative services;

to obtain increased participation by the districts in the development of improved local land use practices and decisions.

SECTION 41. IC 14-32-7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. The department **of agriculture** shall use the money appropriated by the general assembly to expand the small watershed planning program as carried out in cooperation with the Natural Resources Conservation Service of the United States Department of Agriculture under 16 U.S.C. 1001 et seq., to reduce the accumulation of approved watershed planning requests and expedite the realization of the multiple benefits of this soil and water conservation program.

SECTION 42. IC 14-32-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The department **of agriculture** shall coordinate and schedule the programs authorized by sections 7 through 8 of this chapter to provide, as nearly as practicable, for concurrent completion and furnishing of the results of each program for each selected area study unit.

SECTION 43. IC 14-32-7-13 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. The department  
2 **of agriculture** shall administer this article subject to the direction of  
3 the board.

4 SECTION 44. IC 14-32-8-0.5 IS ADDED TO THE INDIANA  
5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
6 [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. As used in this article,**  
7 **"division of soil conservation" means the division of soil**  
8 **conservation of the department of agriculture established by**  
9 **IC 15-9-4-1.**

10 SECTION 45. IC 14-32-8-4 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The clean water  
12 Indiana program is established. The division of soil conservation **of the**  
13 **department of agriculture established by IC 15-9-4-1** shall  
14 administer the program subject to the direction of the board.

15 SECTION 46. IC 15-1.5-2-2, AS AMENDED BY P.L.241-2005,  
16 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 UPON PASSAGE]: Sec. 2. (a) The commission consists of eight (8)  
18 members as follows:

19 (1) Five (5) members appointed by the governor.

20 (2) The presiding officer of the board.

21 (3) The ~~commissioner~~ **director of the department** of agriculture  
22 or the ~~commissioner's~~ **director's** designee.

23 (4) The presiding officer of the trustees or the presiding officer's  
24 designee who must be selected from the membership of the  
25 trustees.

26 (b) Not more than one (1) member appointed under subsection  
27 (a)(1) may reside in the same district. Each district is not required to  
28 have a member of the commission represent it.

29 (c) Not more than three (3) members appointed under subsection  
30 (a)(1) may be affiliated with the same political party.

31 (d) Two (2) members appointed under subsection (a)(1) must have  
32 a recognized interest in agriculture or agribusiness.

33 SECTION 47. IC 15-1.5-4-2 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board  
35 consists of seventeen (17) members as follows:

36 (1) The governor or the governor's designee.

37 (2) The ~~commissioner~~ **director of the department** of agriculture  
38 or the ~~commissioner's~~ **director's** designee.

39 (3) The director of the cooperative extension service of Purdue  
40 University or the director's designee.

41 (4) Seven (7) members appointed by the governor, one (1) from  
42 each district under this chapter.

43 (5) One (1) member elected from each district under this chapter.

44 (b) Not more than one (1) member appointed under subsection  
45 (a)(4) may reside in the same district.

46 (c) Not more than four (4) members appointed under subsection



(a)(4) may be affiliated with the same political party.

(d) Each member appointed under subsection (a)(4) must have a recognized interest in agriculture or agribusiness.

(e) When an appointment of a member under subsection (a)(4) is required, the appointment may not be made until after the election of members under subsection (a)(5) for that year is certified.

SECTION 48. IC 15-1.5-4-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. If an organization wants to be certified to vote in an election under this chapter, the organization must apply to the ~~commissioner~~ **director of the department** of agriculture.

SECTION 49. IC 15-1.5-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) Subject to sections 11 through 13 of this chapter, the ~~commissioner~~ **director of the department** of agriculture shall certify an organization that applies under section 9 of this chapter only if the organization:

- (1) is an agricultural interest;
- (2) is regularly organized within the district;
- (3) has at least ten (10) active members;
- (4) has duly elected officers;
- (5) has an annual meeting;
- (6) has been in existence for at least one (1) year before the application for certification is filed with the ~~commissioner~~, **director of the department of agriculture**; and
- (7) before July 1 of the year of the election in which the organization wants to participate, files with the ~~commissioner~~ **director of the department** of agriculture:

- (A) the name of the organization;
- (B) the names and addresses of the organization's officers;
- (C) the name, address, and title of the individual who is authorized by the organization to vote for the organization in an election under this chapter;
- (D) the number of the organization's active members;
- (E) a certification that the organization is eligible to be certified under this chapter; and
- (F) other information required by the ~~commissioner~~, **director of the department of agriculture**.

(b) A certification expires on July 1 of the fourth year after the certification is issued by the ~~commissioner~~ **director of the department** of agriculture.

SECTION 50. IC 15-1.5-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The ~~commissioner~~ **director of the department** of agriculture may not certify more than two (2) organizations in a county representing an agricultural interest described in any subdivision of IC 15-1.5-1-2.

(b) If more than two (2) organizations in a county representing an



1 agricultural interest described in a subdivision of IC 15-1.5-1-2 apply  
 2 for certification, the ~~commissioner~~ **director of the department** of  
 3 agriculture may certify any two (2) organizations, considering the  
 4 following criteria:

- 5 (1) Order of application for certification.
- 6 (2) Number of members of each organization.
- 7 (3) How long each organization has been in existence.
- 8 (4) Activity of each organization in promotion of agricultural
- 9 interests.
- 10 (5) Diversity of representation of interests within the agricultural
- 11 community.

12 SECTION 51. IC 15-1.5-4-14 IS AMENDED TO READ AS  
 13 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Before  
 14 September 1 of the year the term of a member representing a district  
 15 expires, the ~~commissioner~~ **director of the department** of agriculture  
 16 shall notify each agricultural interest certified within the member's  
 17 district that a convention will be held to elect the member to represent  
 18 the district.

19 (b) Subject to section 17 of this chapter, the ~~commissioner~~ **director**  
 20 **of the department** of agriculture shall state in the notice required by  
 21 subsection (a) the time and the place of the convention and the name  
 22 of the presiding officer. The ~~commissioner~~ **director of the department**  
 23 **of agriculture** shall choose a time and a place that will encourage  
 24 maximum participation in the convention by certified agricultural  
 25 interests.

26 SECTION 52. IC 15-1.5-4-15 IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. The  
 28 ~~commissioner~~ **director of the department** of agriculture shall send  
 29 copies of the credentials of each individual entitled to vote in a  
 30 convention to the following:

- 31 (1) The board member representing the district.
- 32 (2) The individual who will preside over the district convention.

33 SECTION 53. IC 15-1.5-4-16 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) The  
 35 ~~commissioner~~ **director of the department** of agriculture shall choose  
 36 from among the members of the commission the individual to preside  
 37 at a convention.

38 (b) The presiding officer of the convention may vote in the case of  
 39 a tie vote on any matter.

40 SECTION 54. IC 15-1.5-4-18 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. The  
 42 ~~commissioner~~ **director of the department** of agriculture shall adopt  
 43 rules for the business of a convention. Rules adopted under this section  
 44 may not be inconsistent with this chapter.

45 SECTION 55. IC 15-1.5-4-23 IS AMENDED TO READ AS  
 46 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. The



1 ~~commissioner~~ **director of the department** of agriculture may:

- 2 (1) adopt rules under IC 4-22-2; and
- 3 (2) prescribe forms;

4 to implement sections 9 through 22 of this chapter.

5 SECTION 56. IC 15-1.5-10.5-4, AS AMENDED BY P.L.241-2005,  
6 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 UPON PASSAGE]: Sec. 4. (a) The trustees govern the barn. The  
8 trustees consist of seventeen (17) members as follows:

- 9 (1) The governor or the governor's designee.
- 10 (2) The ~~commissioner~~ **director of the department** of agriculture  
11 or the ~~commissioner's~~ **director's** designee.
- 12 (3) The dean of agriculture of Purdue University or the dean's  
13 designee.
- 14 (4) The president of the Purdue University Agriculture Alumni  
15 Association or the president's designee.
- 16 (5) The state superintendent of public instruction or the state  
17 superintendent's designee.
- 18 (6) The state veterinarian or the state veterinarian's designee.
- 19 (7) The presiding officer of the state fair commission or the  
20 presiding officer's designee selected from the membership of the  
21 state fair commission.
- 22 (8) The presiding officer of the state fair board or the presiding  
23 officer's designee selected from the membership of the state fair  
24 board.
- 25 (9) One (1) member appointed by the largest Indiana organization  
26 representing agricultural interests in Indiana, as determined by the  
27 number of members of the organization. The member serves at  
28 the pleasure of the member's organization.
- 29 (10) One (1) member appointed by the second largest Indiana  
30 organization representing agricultural interests in Indiana, as  
31 determined by the number of members of the organization. The  
32 member serves at the pleasure of the member's organization.
- 33 (11) Seven (7) members appointed by the governor.

34 (b) Of the members appointed under subsection (a)(11), not more  
35 than four (4) may be affiliated with the same political party.

36 (c) Each member appointed under subsection (a)(11) must have a  
37 recognized interest in the barn.

38 SECTION 57. IC 15-4-3.5-3 IS AMENDED TO READ AS  
39 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A representative  
40 group of not less than five percent (5%) of the producers of an  
41 agricultural commodity, may petition the dean for permission to  
42 establish a commodity market development council. This petition shall  
43 include:

44 (a) a statement of the area of production to be included; the area  
45 shall be statewide, except that it may be limited to a well defined  
46 smaller area where such area is the principal commercial producer in



1 the state of the commodity;

2 (b) a statement of the general purposes of the commodity market  
3 development council program which may include research, education,  
4 market development, publicity, sales promotion, and cooperation with  
5 other state, regional, and national organizations;

6 (c) the amount of the fee that is desired to be collected for each  
7 designated unit of commercial quantities of the commodity;

8 (d) the method or methods to be used in the collection of the fee;

9 (e) the composition, qualification, terms of office, method of  
10 nomination, election, filling unexpired terms, expenses, and duties of  
11 the members of the council, but:

12 (1) the council shall consist of an odd number of not less than five  
13 (5) nor more than fifteen (15) members who shall serve not more  
14 than six (6) consecutive years and of whom the majority shall be  
15 producers to be selected by producers;

16 (2) the dean shall serve as an ex-officio member of the council;  
17 and

18 (3) the ~~commissioner~~ **director of the department** of agriculture  
19 or the ~~commissioner's~~ **director's** designee shall serve as an  
20 ex-officio member of the council; **and**

21 (f) the method of conducting the referendum of the commodity  
22 producers either by mail or by polling place depending on the area and  
23 volume of the commodity.

24 SECTION 58. IC 15-4-10-4 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this  
26 chapter, "director" refers to the ~~commissioner~~ **director of the**  
27 **department** of agriculture or the person designated by the  
28 ~~commissioner~~ **director of the department** of agriculture to carry out  
29 duties imposed on the ~~commissioner~~ **director of the department of**  
30 **agriculture** under this chapter.

31 SECTION 59. IC 15-4-10-26 IS AMENDED TO READ AS  
32 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. (a) An  
33 assessment of one-half cent (\$0.005) per bushel is permitted on all corn  
34 sold in Indiana. The assessment may be imposed and collected on a  
35 quantity of corn only once, and shall be collected by the first purchaser  
36 if the producer exercises the option under subsection (b) to be included  
37 in the assessment. An assessment shall not be conducted on the  
38 producer without the producer's written consent. The rate of the  
39 assessment imposed by this section may be increased only by the  
40 general assembly.

41 (b) In conjunction with the producer's first settlement with the first  
42 purchaser following June 30, 2001, the first purchaser shall make  
43 available to the producer the forms granting the producer the option to  
44 be included in the assessment and inform the producer of the option to  
45 be included. If the producer desires to be included in the assessment,  
46 the producer shall complete and sign a form, in writing, indicating the



producer's desire to be included in the assessment permitted by subsection (a). It is a producer's obligation to return enrollment forms to a first purchaser. The first purchaser shall keep a record of each producer's desire to be included in the assessment, as indicated on the completed forms. Forms completed by a producer shall remain in effect until repealed in writing by the producer and delivered to the first purchaser. The initial enrollment by producers who want to participate in the corn marketing program must occur from July 1, 2001, through August 31, 2001. Corn market development assessments collected by a first purchaser begin on September 15, 2001. A change in participation by a producer to be included in the assessment or to discontinue the assessment does not take effect until July 1 following the producer's election to change. The ~~office of the commissioner~~ **department** of agriculture shall prescribe the forms to be used under this subsection and distribute the forms to the first purchaser prior to July 1, 2001. The council shall reimburse the office of the ~~commissioner~~ **department** of agriculture for the costs of preparation and distribution of the forms required by this subsection from the funds the council receives under this chapter. Auditing fees collected from this program and all other programs by the Indiana grain buyers and warehouse licensing agency revert to the office of agriculture account to cover administrative costs.

(c) If the producer indicates the desire to be included in the assessment permitted under subsection (a) by following the procedure described in subsection (b), the first purchaser of a quantity of corn shall deduct the assessment on the corn from the sum of money to be paid to the producer based on the sale of the corn. A first purchaser shall accumulate assessments collected under this subsection throughout each of the following periods:

- (1) January, February, and March.
- (2) April, May, and June.
- (3) July, August, and September.
- (4) October, November, and December.

(d) At the end of each period, the first purchaser shall remit to the council all assessments collected during the period. A first purchaser who remits all assessments collected during a period within fifteen (15) days after the end of the period is entitled to retain three percent (3%) of the total of the assessments as a handling fee.

SECTION 60. IC 15-4-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to civil actions against a seller for the failure of agricultural or vegetable seeds to perform if the container in which the seeds were sold included the following notice on the label:

NOTICE OF REQUIRED ARBITRATION

Under the seed laws of Indiana and some other states, arbitration is required as a precondition of maintaining certain legal actions,



counterclaims, or defenses against a seller of seed. Information about this requirement, where applicable, may be obtained from a state's seed commissioner ~~commissioner or the department of~~ agriculture. ~~or chief agricultural official.~~

SECTION 61. IC 15-4-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "applicant" refers to a certifying agent applying for accreditation from the ~~commissioner~~ **director** in compliance with the Organic Foods Production Act.

SECTION 62. IC 15-4-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "certifying agent" refers to a person or entity acting as an independent contractor who is:

- (1) accredited by the ~~commissioner~~; **director**;
- (2) approved by the panel to conduct field or farm certification; and
- (3) accredited by the United States Department of Agriculture under the Organic Foods Production Act.

SECTION 63. IC 15-4-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "~~commissioner~~" "**director**" refers to the ~~commissioner~~ **director of the department** of agriculture or the ~~commissioner's~~ **director's** designee.

SECTION 64. IC 15-4-12-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The ~~commissioner~~ **director** may grant accreditation to an applicant under this chapter.

(b) In determining whether to grant accreditation to an applicant, the ~~commissioner~~ **director** shall consider a report concerning the applicant that is prepared by the panel under section 13 of this chapter.

(c) The ~~commissioner~~ **director** shall make a determination and respond to the applicant on or before three (3) months after the date of receipt of the application.

SECTION 65. IC 15-4-12-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. A certifying agent operating within ~~the state~~ **Indiana** must apply in writing to the ~~commissioner~~ **director** for accreditation.

SECTION 66. IC 15-4-12-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The Indiana organic peer review panel is established.

(b) The panel consists of nine (9) members who have knowledge in techniques involving the growing of organic products and have experience in the field of organic agriculture. The governor shall appoint the members as follows:

- (1) Three (3) representatives of the Indiana farming community who are operators of an organic farm in ~~the state~~ **Indiana** that is



certified by a private certification agency.

(2) One (1) representative of a group representing retailers or distributors of organic products.

(3) Two (2) representatives of a group representing consumers of organic products.

(4) One (1) representative of a group representing processors or handlers of organic products.

(5) The ~~commissioner~~ **director** shall serve as an ex officio nonvoting member of the panel.

(6) The state chemist shall serve as an ex officio nonvoting member of the panel.

(c) Not more than two (2) voting members of the panel appointed under subsection (b) may be persons who are employed by the state.

(d) The panel shall select a chairman from among the panel members.

(e) The term of each voting member of the panel is four (4) years. A vacancy on the panel before the expiration of a term shall be filled for the unexpired term in the same manner as an appointment to the panel is made.

(f) The governor may remove a panel member for cause.

SECTION 67. IC 15-4-12-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The ~~commissioner~~ **director** shall implement this chapter with the assistance of the panel. The ~~commissioner~~ **director** has no regulatory authority under this chapter except as provided under section 16 of this chapter.

SECTION 68. IC 15-4-12-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The panel shall do the following:

(1) Adopt criteria for establishing standards to be used in reviewing the procedure by which certifying agents certify that the agricultural product was produced or handled in accordance with the regulations adopted under the Organic Foods Production Act.

(2) Review all applicants every three (3) years.

(3) Prepare and submit a report concerning the applicant to the ~~commissioner~~ **director**.

(4) Assist the ~~commissioner~~ **director** in evaluating applications for accreditation from applicants.

(5) Establish fees to be paid by an applicant seeking accreditation from the ~~commissioner~~ **director** to certify organic products. The fees established may not exceed the costs of administering this chapter.

(b) The criteria adopted under this section must concern the following:

(1) The production and handling of agricultural products.

(2) A procedure under which certifying agents certify a farm,



field, or product under this chapter.

(3) The inspection of farms and products.

(4) Testing by certifying agents.

(5) Reasonable security provided by the certifying agent for the protection of the rights of participants in an applicable organic certification program.

(6) Other terms and conditions that the panel considers necessary, in compliance with the Organic Foods Production Act.

SECTION 69. IC 15-4-12-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. A person may sell or label a product produced in Indiana as:

(1) organic;

(2) certified organic; or

(3) Indiana certified organic;

in Indiana, only if the product has been certified by a certifying agency that has been accredited by the ~~commissioner~~ **director**.

SECTION 70. IC 15-4-12-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. The ~~commissioner~~ **director** shall adopt rules under IC 4-22-2 to implement this chapter.

SECTION 71. IC 15-4-12-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. The panel may, subject to the approval of the ~~commissioner~~ **director**, do all things necessary to implement this chapter. However, if residue testing of a product subject to certification under this chapter is required by federal law or regulations, the testing must be conducted according to standards developed by the state chemist.

SECTION 72. IC 15-4-12-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. The panel may, subject to the approval of the ~~commissioner~~ **director**, seek injunctive relief for violations of this chapter.

SECTION 73. IC 15-4-13-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) As used in this section, "suit" refers to a suit commenced against a farmer by a seed supplier to enforce its rights under, or in connection with, a seed contract.

(b) If a seed supplier files suit against a farmer, the seed supplier shall provide simultaneous written notice of the suit to the ~~commissioner~~ **director of the department** of agriculture.

(c) Failure to give notice of the suit to the ~~commissioner~~ **director of the department** of agriculture as provided in subsection (b) does not impair the jurisdiction of the court to hear the suit.

(d) A seed supplier that fails to give notice to the ~~commissioner~~ **director of the department** of agriculture as provided in subsection (b) commits a Class B infraction.

(e) The ~~commissioner~~ **director of the department** of agriculture



1 shall keep a file of all notices of suits received under this section.

2 SECTION 74. IC 15-6-4-3 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this  
4 chapter, "~~commissioner~~" "**director**" refers to the ~~commissioner~~  
5 **director of the department** of agriculture or the ~~commissioner's~~  
6 **director's** designee.

7 SECTION 75. IC 15-6-4-9 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The Indiana  
9 dairy industry development board is established. The board is a public  
10 body corporate and politic, and though it is separate from the state, the  
11 exercise by the board of its powers constitutes an essential  
12 governmental function.

13 (b) The board consists of:

14 (1) at least nine (9); and

15 (2) not more than twenty-five (25);

16 voting members appointed under section 12 of this chapter.

17 (c) Each voting member of the board must:

18 (1) be a resident of Indiana;

19 (2) be at least twenty-one (21) years of age;

20 (3) have been actually engaged in the production of milk in  
21 Indiana for at least one (1) year; and

22 (4) derive a substantial portion of the member's income from the  
23 production of milk in Indiana.

24 (d) The board may appoint individuals who hold offices of  
25 importance to the milk industry or have special expertise concerning  
26 the industry to participate in the work of the board as nonvoting  
27 members. Not more than five (5) individuals may be appointed under  
28 this subsection.

29 (e) The ~~commissioner~~ **director** may participate in the activities of  
30 the board as an ex officio member.

31 (f) An Indiana dairy farmer selected to serve on the national dairy  
32 board shall be a nonvoting, advisory member of the board.

33 (g) Fewer than fifty percent (50%) of the board members, including  
34 nonvoting members, may be members of Milk Promotion Services of  
35 Indiana, Inc.

36 SECTION 76. IC 15-6-4-23 IS AMENDED TO READ AS  
37 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) The board  
38 shall file a report with the ~~commissioner~~ **director** before October 1.

39 (b) The report required under subsection (a) must contain the  
40 following information:

41 (1) The income received from the assessments and penalties  
42 collected under this chapter for the preceding fiscal year.

43 (2) The expenditure of funds by the board during the year for the  
44 administration of this chapter.

45 (3) A brief description of all contracts requiring the expenditure  
46 of funds by the board and the action taken by the board on all



1 such contracts.

2 (4) An explanation of all programs relating to the discovery,  
3 promotion, and development of markets and industries for the  
4 utilization of dairy products and the direct expense associated  
5 with each program.

6 (5) The name and address of each member of the board.

7 (6) A brief description of the rules, regulations, and orders  
8 adopted and promulgated by the board.

9 (c) The report required under subsection (a) shall be available to the  
10 public upon request.

11 SECTION 77. IC 15-7-2-1 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The  
13 ~~commissioner~~ **director of the department** of agriculture who will  
14 hereafter be referred to as "~~commissioner~~" "**director**" is hereby  
15 designated as the state official of the state of Indiana to make  
16 application to and receive from the Secretary of Agriculture of the  
17 United States, or any other proper federal official, pursuant and subject  
18 to the provisions of Public Law 499, 81st Congress, approved May 3,  
19 1950, the trust assets, either funds or property, held by the United  
20 States as trustee in behalf of the Indiana rural rehabilitation  
21 corporation.

22 SECTION 78. IC 15-7-2-2 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The  
24 ~~commissioner~~ **director** is authorized to enter into agreements with the  
25 secretary of agriculture of the United States pursuant to section 2(f) of  
26 the aforesaid act of the congress of the United States, upon such terms  
27 and conditions and for such periods of time as may be mutually  
28 agreeable, authorizing the secretary of agriculture of the United States  
29 to accept, administer, expend, and use in the state of Indiana all or any  
30 part of such trust assets or any other funds of the state of Indiana which  
31 may be appropriated for such uses for carrying out the purposes of  
32 Titles 1 and 2 of the Bankhead-Jones Farm Tenant Act, in accordance  
33 with the applicable provisions of Title 4 thereof, as now or hereafter  
34 amended, and, the ~~commissioner~~ **director** shall provide in such  
35 agreement with the Secretary of Agriculture of the United States that  
36 all of such funds shall be administered through the farmer's home  
37 administration and that only **three percent (3%)** of the book value of  
38 the assets so transferred may be used for administrative purposes,  
39 providing, further, that said Farmer's Home Administration shall be  
40 authorized, to do any and all things necessary to effectuate and carry  
41 out the purposes of said agreements.

42 SECTION 79. IC 15-7-2-3 IS AMENDED TO READ AS  
43 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Notwithstanding  
44 any other provisions of law, funds and the proceeds of the trust assets  
45 which are not authorized to be administered by the secretary of  
46 agriculture of the United States under the provisions of section 2 of this



chapter shall be received by the ~~commissioner~~ **director** under the application made pursuant to section 1 of this chapter, and by ~~him~~ **the director** deposited with the state treasurer to be held in a special fund for expenditure on proper voucher and warrant by the ~~commissioner~~ **director** for the purposes of section 2 of this chapter.

SECTION 80. IC 15-7-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The ~~commissioner~~ **director** is authorized and empowered to do the following:

(~~a~~) **(1)** Collect, compromise, adjust, or cancel claims and obligations arising out of or administered under this chapter or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this chapter and, if in its judgment, necessary and advisable, pursue the same to final collection in any court having jurisdiction.

(~~b~~) **(2)** Bid for and purchase at any execution, foreclosure, or other sale, or otherwise to acquire property upon which the ~~commissioner~~ **director** has a lien by reason of a judgment or execution, or which is pledged, mortgaged, conveyed, or which otherwise secures any loan or other indebtedness owing to or acquired by the ~~commissioner~~ **director** under this chapter.

(~~c~~) **(3)** Accept title to any property so purchased or acquired; to operate or lease such property for such period as may be deemed necessary to protect the investment therein; and to sell or otherwise dispose of such property in a manner consistent with the provisions of this chapter.

The authority herein contained shall by the ~~commissioner~~ **director** be delegated to the Secretary of Agriculture of the United States with respect to funds or assets authorized to be administered and used by ~~him~~ **the director** under agreements entered into pursuant to section 2 of this chapter.

SECTION 81. IC 15-7-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The United States and the Secretary of Agriculture ~~thereof~~ shall be held free from liability by virtue of the transfer of the assets to the ~~commissioner of agriculture pursuant to~~ **director under** this chapter.

SECTION 82. IC 15-7-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "~~commissioner~~" "**director**" refers to the ~~commissioner~~ **director of the department** of agriculture or the ~~commissioner's~~ **director's** designee.

SECTION 83. IC 15-7-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The ~~commissioner~~ **director** may establish a program pursuant to 7 U.S.C. 6991 et seq. (the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994) to provide procedures for



mediating adverse decisions by agencies of the United States Department of Agriculture.

SECTION 84. IC 15-7-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The ~~commissioner~~ **director** may apply to the Secretary of the United States Department of Agriculture for financial assistance for the operation and administration of the program.

SECTION 85. IC 15-7-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The ~~commissioner~~ **director** may adopt rules under IC 4-22-2 that are necessary to administer the program.

SECTION 86. IC 15-7-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The ~~commissioner~~ **director** must approve each mediator who serves in the program.

(b) Before a mediator may be approved, the ~~commissioner~~ **director** shall provide adequate training to the mediator to ensure that the mediator:

- (1) has a reasonable expertise in agriculture, including a basic understanding of federal and state agricultural programs; and
- (2) is not biased, prejudiced, or personally interested in the outcome of a proceeding.

SECTION 87. IC 15-7-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "~~commissioner~~" "**director**" refers to the ~~commissioner~~ **director of the department** of agriculture.

SECTION 88. IC 15-7-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The ~~commissioner~~ **director** shall provide the necessary staff and administrative support for the council.

SECTION 89. IC 15-7-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The council consists of the following members:

- (1) The ~~commissioner, director, or in the commissioner's absence, the assistant commissioner~~ **the director's designee**.
- (2) Nine (9) members appointed by the governor as follows:
  - (A) One (1) member representing county government.
  - (B) One (1) member representing municipal government.
  - (C) One (1) member representing farm owners.
  - (D) One (1) member representing home building and land development.
  - (E) One (1) member representing business.
  - (F) One (1) member representing the environment.
  - (G) One (1) member with expertise in land use issues representing academia.
  - (H) One (1) member representing soil and water conservation



1 districts.

2 (I) One (1) member representing forestry.

3 (b) Not more than five (5) of the members appointed by the  
4 governor under subsection (a)(2) may be of the same political party.

5 (c) The term of a member is four (4) years.

6 (d) Each member appointed by the governor under subsection (a)(2)  
7 is entitled to hold office for the term of the member's appointment and  
8 is entitled to continue to serve after expiration of the member's  
9 appointment until a successor is appointed and qualified.

10 (e) Any member is eligible for reappointment.

11 (f) Any member appointed by the governor under subsection (a)(2)  
12 may be removed from office by the governor and serves at the pleasure  
13 of the governor.

14 (g) If a vacancy occurs among the members of the council appointed  
15 by the governor under subsection (a)(2), the governor shall appoint an  
16 individual to serve for the unexpired term of the vacating member.

17 SECTION 90. IC 15-7-9-9 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. ~~(a) Except as~~  
19 ~~provided in subsection (b),~~ The ~~commissioner~~ **director or the**  
20 **director's designee** serves as chairman of the council.

21 ~~(b) In the absence of the commissioner, the assistant commissioner~~  
22 ~~serves as chairman of the council.~~

23 SECTION 91. IC 15-7-9-12 IS AMENDED TO READ AS  
24 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The ~~council~~  
25 ~~shall keep the council's records and information~~ **shall be kept** at the  
26 office of the ~~commissioner.~~ **director.**

27 SECTION 92. IC 15-8-1-3 IS AMENDED TO READ AS  
28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. "~~Commissioner~~"  
29 "**Director**" refers to the ~~lieutenant governor, serving as the~~  
30 ~~commissioner of agriculture under IC 4-4-3-2.~~ **director of the**  
31 **department of agriculture.**

32 SECTION 93. IC 15-8-2-1 IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The  
34 ~~commissioner of agriculture~~ **director** shall administer a program of  
35 grants under this chapter to provide counseling for financially troubled  
36 farmers.

37 SECTION 94. IC 15-8-2-2 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The funds may  
39 be granted by the ~~commissioner~~ **director** as needed and when  
40 available.

41 SECTION 95. IC 15-8-2-4 IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The  
43 ~~commissioner~~ **director** may award a grant under this chapter to any  
44 individual, corporation, association, organization, or other entity that  
45 demonstrates the capacity to carry out the purposes of this chapter.

46 SECTION 96. IC 15-8-2-5 IS AMENDED TO READ AS



FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The ~~commissioner~~ **director** and a grantee must have a written agreement that states in detail the services that the grantee will provide to financially troubled farmers in accordance with the purposes of this chapter.

SECTION 97. IC 15-8-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) There is established an advisory board to advise the ~~commissioner~~ **director** on the administration of this article. Specifically, the advisory board shall advise the ~~commissioner~~ **director** on:

- (1) the nature and types of counseling services that should be offered under this article, in the view of the advisory board; and
- (2) the general needs of Indiana farmers and the rural community.

(b) The advisory board shall consist of the following members:

- (1) The ~~commissioner~~ **director** or the ~~commissioner's proxy;~~ **director's designee**, who shall act as chairperson of the advisory board.
- (2) Representatives of not more than two (2) conventional lenders.
- (3) Representatives of not more than two (2) governmental lenders.
- (4) Representatives of not more than two (2) quasi-governmental lenders.
- (5) Not more than two (2) representatives of agribusiness.
- (6) Not more than two (2) representatives of a grantee or grantees.
- (7) Not more than two (2) representatives of Purdue University.

(c) The members of the advisory board referred to in subsection (b)(2) through (b)(7) shall be appointed by the ~~commissioner.~~ **director.**

(d) The advisory board shall meet at least two (2) times each year.

SECTION 98. IC 15-9-2-3, AS ADDED BY P.L.83-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The department shall do the following:

- (1) Provide administrative and staff support for the following:
  - (A) The center for value added research.
  - (B) The state fair board for purposes of administering the ~~commissioner~~ **director of the department** of agriculture's duties under IC 15-1.5-4.
  - (C) The Indiana corn marketing council for purposes of administering the duties of the ~~commissioner~~ **director of the department** of agriculture under IC 15-4-10.
  - (D) The Indiana organic peer review panel.
  - (E) The Indiana dairy industry development board for purposes of administering the duties of the ~~commissioner~~ **director of the department** of agriculture under IC 15-6-4.
  - (F) The Indiana land resources council.
  - (G) The Indiana grain buyers and warehouse licensing agency.



(H) The Indiana grain indemnity corporation.

(I) The division of soil conservation established by IC 15-9-4-1.

(2) Administer the election of state fair board members.

(3) Administer state programs and laws promoting agricultural trade.

(4) Administer state livestock or agriculture marketing grant programs.

(5) Administer economic development efforts for agriculture.

SECTION 99. IC 24-6-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The ~~commissioner~~ **director of the department** of agriculture is charged with the enforcement of the provisions of this chapter and for such purposes shall have the power to:

~~(a) to~~ **(1)** enter and inspect personally or through any authorized representative any place within ~~the state of~~ Indiana where any apples, peaches, or strawberries are sold, offered, or exposed for sale, and to inspect such places and all apples, peaches, and strawberries and containers therefor found in any such place;

~~(b) to~~ **(2)** stop any wagon, truck, or other vehicle upon any public street or highway of the state for the purpose of inspecting any apples, peaches, or strawberries that may be so transported; and

~~(c) to~~ **(3)** make, publish, and enforce such uniform rules as may be necessary for carrying out the provisions of this chapter.

SECTION 100. IC 26-3-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) There is created in the ~~office of the lieutenant governor~~ **department of agriculture** an agency to be known as the "Indiana grain buyers and warehouse licensing agency" to administer ~~the provisions of~~ this chapter. The ~~lieutenant governor~~ **director of the department of agriculture** may appoint the director of the agency, who shall serve at the pleasure of the ~~lieutenant governor~~. **director of the department of agriculture**. The director shall administer this chapter and shall be the ultimate authority in the administration of this chapter.

(b) The agency may employ all necessary employees, counsel, and consultants to carry out the provisions of this chapter and is vested with the power necessary to fully and effectively carry out the provisions and objectives of this chapter.

SECTION 101. IC 26-3-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The following definitions apply throughout this chapter:

(1) "Agency" refers to the Indiana grain buyers and warehouse licensing agency established under section 1 of this chapter.

(2) "Anniversary date" means the date that is ninety (90) calendar days after the fiscal year end of a business licensed under this chapter.



- 1 (3) "Bin" means a bin, tank, interstice, or other container in a  
 2 warehouse in which bulk grain may be stored.
- 3 (4) "Buyer-warehouse" means a person that operates both as a  
 4 warehouse licensed under this chapter and as a grain buyer.
- 5 (5) "Claimant" means a person that is unable to secure satisfaction  
 6 of the financial obligations due from a licensee under this chapter  
 7 for grain that has been delivered to the licensee for sale or for  
 8 storage under a bailment.
- 9 (6) "Deferred pricing" or "price later" means a purchase by a  
 10 buyer in which title to the grain passes to the buyer and the price  
 11 to be paid to the seller is not determined:
- 12 (A) at the time the grain is received by the buyer; or  
 13 (B) within ten (10) days of receipt.
- 14 (7) "Depositor" means any of the following:
- 15 (A) A person that delivers grain to a licensee under this  
 16 chapter for storage or sale.
- 17 (B) A person that:
- 18 (i) owns or is the legal holder of a ticket or receipt issued by  
 19 a licensee for grain received by the licensee; and
- 20 (ii) is the creditor of the issuing licensee for the value of the  
 21 grain received in return for the ticket or receipt.
- 22 (C) A licensee that stores grain that the licensee owns solely,  
 23 jointly, or in common with others in a warehouse owned or  
 24 controlled by the licensee or another licensee.
- 25 (8) "Designated representative" means the person or persons  
 26 designated by the director to act instead of the director in assisting  
 27 in the administration of this chapter.
- 28 **(9) "Director" means the director of the Indiana grain buyers  
 29 and warehouse licensing agency appointed under section 1 of  
 30 this chapter.**
- 31 ~~(9)~~ **(10)** "Facility" means a location or one (1) of several locations  
 32 in Indiana that are operated as a warehouse or by a grain buyer.
- 33 ~~(10)~~ **(11)** "Failure" means any of the following:
- 34 (A) The inability of a licensee to financially satisfy claimants.
- 35 (B) Public declaration of a licensee's insolvency.
- 36 (C) Revocation or suspension of a licensee's license, if the  
 37 licensee has outstanding indebtedness owed to claimants.
- 38 (D) Nonpayment of a licensee's debts in the ordinary course of  
 39 business, if there is not a good faith dispute.
- 40 (E) Voluntary surrender of a licensee's license, if the licensee  
 41 has outstanding indebtedness to claimants.
- 42 ~~(11)~~ **(12)** "Grain" means corn for all uses, popcorn, wheat, oats,  
 43 barley, rye, sorghum, soybeans, oil seeds, other agricultural  
 44 commodities as approved by the agency, and seed as defined in  
 45 this ~~chapter~~ **section**. The term does not include canning crops for  
 46 processing, sweet corn, or flint corn.



~~(12)~~ **(13)** "Grain assets" means any of the following:

(A) All grain owned or stored by a licensee, including grain that:

- (i) is in transit following shipment by a licensee; and
- (ii) has not been paid for.

(B) All proceeds, due or to become due, from the sale of a licensee's grain.

(C) Equity, less any secured financing directly associated with the equity, in hedging or speculative margin accounts of a licensee held by a commodity or security exchange, or a dealer representing a commodity or security exchange, and any money due the licensee from transactions on the exchange, less any secured financing directly associated with the money due the licensee from the transactions on the exchange.

(D) Any other unencumbered funds, property, or equity in funds or property, wherever located, that can be directly traced to the sale of grain by a licensee. However, funds, property, or equity in funds or property may not be considered encumbered unless:

- (i) the encumbrance results from valuable consideration paid to the licensee in good faith by a secured party; and
- (ii) the encumbrance did not result from the licensee posting the funds, property, or equity in funds or property as additional collateral for an antecedent debt.

(E) Any other unencumbered funds, property, or equity in assets of the licensee.

~~(13)~~ **(14)** "Grain bank grain" means grain owned by a depositor for use in the formulation of feed and stored by the warehouse to be returned to the depositor on demand.

~~(14)~~ **(15)** "Grain buyer" means a person who is engaged in the business of buying grain from producers. The term does not include a buyer of grain who:

- (A) buys less than fifty thousand (50,000) bushels of grain annually;
- (B) buys grain for the sole purpose of feeding the person's own livestock or poultry and derives a major portion of the person's income from selling that livestock or poultry; or
- (C) does not offer storage, deferred pricing, delayed payment, or contracts or other instruments that are linked to the commodity futures or commodity options market.

~~(15)~~ **(16)** "Grain standards act" means the United States Grain Standards Act, approved August 11, 1916 (39 Stat. 482; 7 U.S.C. 71-87 as amended).

~~(16)~~ **(17)** "License" means a license issued under this chapter.

~~(17)~~ **(18)** "Official grain standards of the United States" means the standards of quality or condition for grain, fixed and established



by the secretary of agriculture under the grain standards act.

~~(18)~~ (19) "Person" means an individual, partnership, corporation, association, or other form of business enterprise.

~~(19)~~ (20) "Receipt" means a warehouse receipt issued by a warehouse licensed under this chapter.

~~(20)~~ (21) "Seed", notwithstanding IC 15-4-1, means grain set apart to be used primarily for the purpose of producing new plants.

~~(21)~~ (22) "Ticket" means a scale weight ticket, a load slip, or other evidence, other than a receipt, given to a depositor upon initial delivery of grain to a facility.

~~(22)~~ (23) "Warehouse act" means the United States Warehouse Act, approved August 11, 1916 (39 Stat. 486; 7 U.S.C. 241-273 as amended).

~~(23)~~ (24) "Warehouse" means a person that operates a facility or group of facilities in which grain is or may be stored for hire or which is used for grain bank storage and which is operated under one (1) ownership and run from a single office.

SECTION 102. IC 26-4-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. "Grain" means corn for all uses, popcorn, wheat, oats, rye, soybeans, barley, sorghum, oil seeds, other agricultural commodities as approved by the agency, and seed (as defined in ~~IC 26-3-7-2(20)~~). **IC 26-3-7-2(21)**). The term does not include canning crops for processing, sweet corn, or flint corn.

SECTION 103. IC 34-30-2-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 64. IC 15-7-2-5 (Concerning the United States and the United States Secretary of Agriculture for the transfer of assets to the ~~commissioner~~ **director of the department** of agriculture on behalf of the Indiana rural rehabilitation corporation).

SECTION 104. IC 15-7-9-1 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 105. **An emergency is declared for this act.**

